

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No.596/2014. Upon the publication of this announcement, this inside information is now considered to be in the public domain. The person responsible for making this announcement on behalf of Bango is Paul Larbey, Chief Executive Officer.

BANGO PLC

("Bango")

Final Results

Bango (AIM: BGO), the data-driven commerce company, today announces its Final Results for the year ended 31 December 2021.

Summary

- Delivered revenue growth of 31.5%, ahead of expectations, demonstrating continued high growth across the business;
- New platform deals won in 2021 with global telco leaders provides strong momentum into 2022;
- Annual recurring revenue from subscription services grew as a proportion of overall revenues;
- Bango Audience sales accelerate, driven by demand for purchase behavior targeting by app developers;
- Bango achieves record employee engagement score and maintains carbon neutral certification in 2021, expanding commitment to include scope 3 emissions.

FY2021 Financial Highlights

- Revenue grew to \$20.7M, an increase of 31.5% (2020: \$15.7M);
- End User Spend (EUS) increased to \$4.1B, up 73.6% (2020: \$2.4B), the seventh year of continued strong growth;
- Adjusted EBITDA* grew to \$6.2M (2020: \$6.0M);
- Net profit from the core Bango business, excluding the share of net loss of the NewDeep associate, was up 48.6% at \$2.5M (2020: \$1.7M);
- Cash** at 31 December 2021 increased to \$9.7M (2020: \$8.0M).

*Adjusted EBITDA is earnings before interest, tax, depreciation, amortization and share based payment charge.

**Cash includes cash and cash held in short term investments

FY2021 Operational Highlights

- Telcos increasingly standardize on Bango as their single technology to bundle third

- party offers, demonstrated by 2021 platform licensing wins including Verizon;
- Range of bundled offers is quickly expanding outside of the core music and video subscription services. Recent launches with M365 (productivity), Xbox Game Pass (gaming), Norton (security) and [Pray.com](#) (wellbeing) highlight this increasing market opportunity;
- The automation and dynamic management of product SKUs, marketing assets and bundled offers enables Bango subscription bundling to achieve massive scale across merchants and telcos;
- Bango Audiences now available to marketers on TikTok, the world's fastest growing social media platform, enabling customers to target even more paying users;
- Need for improved targeting techniques increases in the mobile gaming sector and in new high growth sectors including NFT, crypto and financial trading apps. Demand for Bango Audiences to find new paying users, shown by customer wins including Upland.

Outlook

- Competition to win new paying customers in the fast-growing online commerce market will drive growth in alternative payments, user acquisition through bundled offers and better targeting of paying users from digital marketing campaigns.
- Bango platform deals won and integrated during 2021 will drive revenue growth in 2022 and beyond, as telco customers launch new third party offers.
- Continued expansion of subscription bundling beyond TV, movies, music & gaming as more digital merchants target the benefits of bundled offers.
- Need to improve returns on digital advertising spend in a post-cookie world will drive demand for Bango Audiences and open-up new sectors including financial trading, lifestyle and retail.

Paul Larbey, Chief Executive Officer of Bango, commented:

"Once again, Bango delivered revenue growth ahead of expectations. The transactional payments business continues to grow, as we added new telco routes and mobile wallets and our merchant customers delivered new products and services. Just as exciting is the accelerating adoption of the Bango platform licensing solution by tier 1 telcos and utility providers for all of their 3rd party bundling. In 2021 we have seen our platform licensed by market leaders including BT and Verizon and the pipeline of opportunities is impressive. The recurring revenue this business brings to Bango is incremental and is expected to accelerate our growth in the coming years.

2021 saw the range of customers using Bango Audiences diversify from predominantly mobile gaming app developers to financial trading, cryptocurrency and metaverse trading apps. Our investment in sales & marketing is growing awareness of Bango Audiences, as a powerful disruptor in the market, attracting this wider range of customers.

With three powerful growth engines in the business working synergistically, Bango is well positioned to continue taking market share and moving further towards our goal of becoming the technology behind every payment choice.

A video presenting these results can be viewed here: <https://bangoinvestor.com/videos/>

Bango will be delivering an analyst presentation via video conference at 10am today, Tuesday 8 March 2022. Please email investors@bango.com for the dial in details.

Management is also delivering a presentation via Investor Meet Company platform for investors on 11 March at 11.30am. Sign up here: <https://www.investormeetcompany.com/bango-plc/register-investor>

Contact Details:

Bango PLC

Tel. +44 1223 617387

E. investors@bango.com

FTI Consulting

Tel. +44 203 727 1000

Liberum Capital

Tel. +44 20 3100 2000

Paul Larbey, CEO
Matt Garner, CFO
Anil Malhotra, CMO
Rebecca Jamieson, IR

Rob Mindell
Charlotte Stephen

Cameron Duncan
James Greenwood
Ed Phillips
Will King

About Bango

The world's largest online merchants, including Amazon (NASDAQ: AMZN), Google (NASDAQ: GOOG) and Microsoft (NASDAQ: MSFT), use Bango technology to acquire more paying users.

Bango has developed unique purchase behavior technology that enables millions more users to buy the products and services they want, using innovative methods of payment including carrier billing, digital wallets and subscription bundling. Bango harnesses this purchase activity into valuable marketing segments, called Bango Audiences. Merchants use these audiences to target their marketing at paying customers based on their purchase behavior. Better targeting increases spend through the Bango payments business, in turn generating more data insights, creating a powerful virtuous circle that drives continuous growth. Everyone connected to the Bango Platform thrives as the virtuous circle grows.

Bango, the technology behind every payment choice. For more information, visit www.bangoinvestor.com and follow our twitter account @bangoinvestor

Chair's Statement

I am delighted Bango has delivered on the priorities it outlined to shareholders at the beginning of 2021. Bango has made substantial progress in building a fast growing and profitable business. We have the people, partnerships and technology needed to achieve our ambitions and increase Bango revenue from tens of millions to hundreds of millions of dollars a year.

Our Board was strengthened at the end of 2021 after an extensive process to find the right non-executive directors to support our growth. Lisa Gansky is well connected with many high-tech businesses and has a challenger mindset that helped her drive new, industry changing ideas into global businesses. Marcus Weldon adds deep expertise in the telco and consumer mobile space coupled with a strong background in bringing innovative and disruptive technologies to market while President of Bell Labs. Marcus is already providing immense value as Bango navigates the strategic strengths and weaknesses of the largest communication businesses in the world. Telcos know that they need to delight and retain customers and Bango is becoming a powerful partner, in turn becoming a critical part of the content delivery ecosystem.

As Bango grows it continues to engage with large global partners while also acquiring a high volume of smaller customers that use Bango Audiences. This requires broader financial

capabilities, so I was therefore delighted to have Matt Garner join Bango as CFO early in March 2021. Matt has the business skills and experience Bango needs as a global business and provides insights for shareholders into the Bango growth engine and its intrinsic profitability. I encourage shareholders to continue to engage with Matt going forward.

Bango is increasingly interesting to business partners and investors that are familiar with comparing metrics such as pricing, revenue, EBITDA and market sizes in US dollars. The change to reporting in US dollars aids understanding and signals the drive Bango has to cooperate with investors and partners globally. In March 2022, Bango enabled US investors to buy its shares on the OTCQX market, tapping into the significant and increasing interest in Bango technology and its business ambitions in the USA.

It has been rewarding for me, as a Bango founder, to see the energy and passion of the people driving Bango forward while living our THRIVE values. As travel has resumed, people who had worked collaboratively for months remotely were able to share ideas and innovation face-to-face. Several partnerships that are in the early stages have already been deepened by the special energy that is generated during these meetings. Staff retention on the back of an excellent year for formal engagement scores has been rock solid, and we are also making good progress with our diversity initiatives to ensure we are recruiting widely and broadly to tap into top talent. The Bango collaboration with Project Celena, announced in February 2022, has enabled Bango to engage with talent from Atlanta Tech - a very motivating experience for all involved.

Bango staff have driven our progress in sustainability. They set the challenge to gain audited Carbon Neutral status in 2020 and we have now pushed the envelope further by expanding our carbon neutral targets to include supplier scope 3 emissions. Efficiency is at the heart of Bango - think of the savings in carbon generated by only showing ads to people who have a relevant purchase history.

Digital Turbine joined the Bango circle as a strategic partner in December 2021, following NHN in April 2020 and TPAY in December 2020. A new phase of app revenue growth is emerging alongside the App Stores. Developers are now able to monetize apps directly to users quickly, securely and effectively outside app stores, and then engage with consumers using the commercial models and payment methods offered by the Bango platform. Exciting!

With the Bango payment platform firing on all cylinders, and the deployment of Bango Audiences to enable revolutionary purchase behavior targeting, Bango drives forward on its fast growth path to become the technology behind every payment choice.

Ray Anderson
Executive Chair

CEO Statement

Introduction

In 2021, for the second year running, Bango exceeded market expectations delivering higher than forecasted revenue growth. With the leverage in the platform, this growth appears as profit which funds our Research & Development and Sales & Marketing teams to capture the rapidly expanding market opportunities for platform license deals and Audience (Marketplace) sales.

The 74% growth in EUS represents both continuing strong growth in the payments business and the expanding pool of data which we monetize through Bango Audiences. This is the Bango virtuous circle strategy in action; the success in app developer campaigns drives more payment volumes which adds to the pool of data used to generate these insights and the cycle repeats.

Bango Payments

Bango connects the world's largest merchants to customers who purchase goods using alternative payment methods including carrier billing (charged to a phone bill), digital wallets and through bundled subscription packages. Everyone connected to the Bango platform benefits from the unique data insights acquired from all activity across platform, providing market-wide insights that individual merchants and payment providers cannot capture on their own.

This Bango open ecosystem approach enables partnerships to thrive, accelerating the growth of everyone in the Bango circle. The TPAY partnership, signed in December 2020 and announced in January 2021, provides unmatched scale for Bango in two of the fastest growing regions, the Middle East and Africa. As a result of this partnership, global merchants connected to the Bango platform have launched multiple new routes in the region without additional work. One connection between Bango and TPAY provides access to 76 operators and wallets in 24 countries.

Wallets have long played a central role in Bango's growth, and their adoption in regions such as Latin America, Africa and South East Asia is accelerating. The NTT Data partnership expanded the number of wallets available to Bango connected merchants across Southeast Asia adding to the new direct connections such as Kakao Pay in South Korea. We also partnered with carrier billing integrator Infomedia to enable them to expand their merchant footprint into carriers across the world.

Subscriptions once again saw strong growth with both Amazon and Microsoft Xbox bringing new mobile operators into the Bango circle further increasing our footprint. The launch of Prime Video Mobile Edition (PVME) in India, with mobile operator Airtel, is the first example of a merchant creating new subscription services tailored for specific markets, a trend we expect to continue as more services move to a subscription model. Our partnership with Microsoft expanded, adding M365 (formerly Microsoft Office) to the list of services operators can now bundle with their mobile & broadband plans, enabled through the Bango platform.

In 2020, we announced how the surge in streaming services had led to telecoms providers moving to standardize on a common platform for bundling 3rd party services with their own broadband, TV and mobile plans, resulting in a multi-million-dollar global telco platform deal. In 2021, we signed an additional 4 platform licensing customers. These early design wins with the world's largest carriers such as Verizon and BT ideally position us to expand our footprint, product and merchant connections. Platform licensing is a new, and largely incremental, source of recurring revenue that grows as the number of subscriptions increases.

Bango Audiences

Payment data from Bango connections and 3rd party data sources (such as credit card processors) are combined using our unique Purchase Behavior Targeting (PBT) technology to create Audiences of users, which allow app developers to target their marketing campaigns at users who have actually paid for similar products previously. Bango Audiences are much (2-9x) more effective than relying on soft indicators such as "searched for" or "liked" provided by platforms such as Google and Facebook respectively.

The demand for PBT could not have been clearer than in our 'Board to Death' campaign (<https://bango.com/board-to-death/>) with 62% of CEOs believing their marketing budgets are being wasted on driving soft metrics that have no connection to business growth. Search ads in particular offer decreasing relevance. Our 'worst ad' campaign (<https://bango.com/worst-ad/>) demonstrated that around \$60B of marketing spend is wasted every year on search targeting. These high impact campaigns have extended app developer interest and awareness in Bango Audiences while also solidly positioning Bango as an innovative mar-tech leader resulting in nominations for multiple awards including a prestigious "SAMMY" sales and marketing technology award.

The removal of the app id tracking (IDFA) by Apple in iOS14.5 created waves across app developer marketing teams who, overnight, lost both a targeting source and the ability to track campaign performance. Bango Audiences helped app developers weather this storm by providing an even more performant targeting data set based on purchase behavior.

The number of app developers we are engaged with continued to grow reaching almost 10k at the end of 2021 - this is a doubling in the second half of the year. These app developers are using more audiences in more campaigns driving more than 50x growth in Bango Audience Days between Q4 2020 and Q4 2021.

The Bango Audiences pricing model changed in 2021 from a fixed fee to a percentage of the total marketing campaign spend. This change means we grow our revenue as the app developers spend increases rather than being linked only to the number of Audiences being used.

In 2021 we added support of TikTok, allowing Bango Audiences to be used in TikTok marketing campaigns. TikTok is growing quickly, attracting more advertising spend. This partnership

enables us to capture an increased share of the app developers' marketing budgets.

While gaming remains a critical segment for Bango Audiences, we added large customers across a number of other verticals including retail, trading platforms, social casino and NFT (non-fungible token) trading.

All of these elements combined delivered strong growth in the Bango Audiences business in 2021 that is continuing into 2022.

Outlook

In last year's annual report, I talked about the formula for payments growth:

More Users x More Routes x More Merchants x More Insights

This formula remains as true as ever and has resulted in a revenue CAGR of 47% over the past 6 years yet, somehow, it seems less exciting now; it has become "business as usual", we know it works and launching new routes and merchants is just routine. The accelerated growth in future years will come from the combination of Transactional Payments growth with the Platform Licensing and Bango Audiences businesses. It is this combination that will drive our revenue to grow from the tens of millions of dollars it is today to hundreds of millions.

The opportunities across all three areas of the business continue to expand with market changes providing a tailwind for our continued growth.

The end of the app stores' monopoly of in app payments is in sight with shifts in regulatory changes in South Korea expected to extend across the world as the various regulatory and legal challenges progress. Bango is well positioned to capitalize on this shift for several reasons:

- We have done it before - the direct connection with hundreds of app developers is exactly how we supported Blackberry's growth back in 2011.
- Many of the leading developers are already customers - from the streaming apps that use the Bango platform to bundle services to the thousands of app developers engaged in using Bango Audience's purchase behavior targeting, Bango has strong relationships with the apps that will be the first to breakout and engage directly with their customers.
- We have the right partners - our recently announced partnership with Digital Turbine provides an accelerated entry into this market with a leader in on-device app deployment and promotion.

While our focus remains on telcos, there is significant opportunity to extend subscription bundling and the platform licensing business into new verticals - a natural expansion of the single product bundling connections we have been working on exists in sectors from retail to energy.

Purchase behavior targeting works beyond app developers. The opportunity to tap into the \$450B online search marketing and social media spend is exciting. While our focus remains on growing in the app developer space, early results from partnerships in the retail marketing sector are encouraging.

Bango has a strong balance sheet with no bank debt and a high margin platform business that means top line growth drops straight to the bottom line. In 2021, and continuing in 2022, we will use this profit to reinvest and power our future growth. The investment is largely in the form of people. We have a highly engaged team, our 2021 employee engagement score being our highest ever resulting in incredibly low employee churn and allowing all recruitment to focus on growth rather than replacement. While we grow across the company the main areas of investment are:

Research and Development (R&D)

- New data segmentation and machine learning techniques to generate increased value from purchase behavior targeting.
- Addition of new marketing platforms for Bango Audiences.
- Enhanced provisioning and reporting for app developers using Bango Audiences.

- Expansion of the resale platform with advanced capabilities such as offer management and asset management.

Sales & Marketing (S&M)

- Expansion of the payments sales team to win platform license deals particularly in the North American market.
- Extending product marketing to broaden the awareness of the platform value proposition across both telcos and new verticals.
- Expanding the Bango Audience sales team specifically in Asia.
- Increased marketing to improve awareness of purchase behavior targeting to generate more leads.

Bango is an exciting and dynamic business. As you can see from my report the opportunities ahead of us have never been greater. I realize there is a lot of content here but if you take just one thing from this report it should be the excitement that we have for the future of the business as we drive forward on the journey to hundreds of millions of dollars of revenue and become the technology behind every payment choice.

Paul Larbey

Chief Executive Officer

CFO Statement

Another year exceeding growth expectations saw Bango deliver a sales increase of 31.5% and increased adjusted EBITDA* with strong investment to fuel the future growth of the business.

Bango business model

Bango generated revenues from several streams this year covering payments (transactional & data monetization through Bango Audiences' purchase behavior targeting) and non-transactional payments (encompassing platform licensing fees & integration and subscription bundling).

Change in Presentation Currency

Bango changed its presentation currency for the year ended 31 December 2021 to US Dollars from Pounds Sterling given that an increasing proportion of revenue comes from a global customer base including the fast-growing platform business in the United States and in other countries with USD linked revenues. Bango further believes that this change in presentation currency change will give investors and other stakeholders, current and future, a clearer understanding of Bango's performance over time.

End User Spend (EUS)

EUS, although less correlated than ever with our revenue due to the growth of new revenue streams, continues to be an important Key Performance Indicator for the business. The calculation encompasses the total value of transactions processed by the Bango Platform (excluding taxes) together with a calculation of the spend from non-payment transactions which gives the pool of data available to Bango for data monetization. During the year, EUS grew by 73.6% to \$4.1B (2020: \$2.4B) reflecting the increased insights available for Purchase Behavior Targeting.

Revenue and Costs of Sale

Total revenue from continuing operations increased 31.5% to \$20.70M (2020: \$15.74M). Bango currently breaks this down into transactional & data monetization and non-transactional payments (encompassing platform & technology, licensing of software and integration).

Bango earns revenue from payment transactions processed by the Bango Platform, from platform and software licenses and from the data insights sold as Bango Audiences in

Marketplace. Revenue, such as integration fees, is recognized on completion of contractual milestones and after consideration of the requirements of IFRS 15 (Revenue from Contracts with Customers). Further consideration was also given to the separation between the integration fees and the following license fees, where it was judged, based on the contractual agreements, individual orders and discussions between customers and Bango, that these were two distinct revenue events.

Gross profit margins of 94.1% (2020: 97.2%) reflect the increased revenue from the Bango Audiences business which has a higher cost of sales due to the sharing of revenue back with the data provider and increased costs from partnership connections.

Operating expenditure of continuing operations

As part of a planned strategy of re-investment to drive growth and strengthen the Bango platform, Bango's administrative expenses increased to \$18.9M, (2020: \$13.7M) as the business continued to invest in Research & Development and Sales & Marketing in particular. The continued impact of COVID-19 during the year maintained the reduced costs of travel that were seen in the prior period. Employees started to return to the office in July 2021.

Bango's Adjusted EBITDA* for the year was \$6.18M, (2020: \$5.99M). This reflects the on-going benefit from increased revenue with strong operational gearing allowing Bango to increase its investment for future growth, but still achieve a 29.8% Adjusted EBITDA* margin.

The share-based payment charge was \$1.55M (2020: \$1.06M) calculated using the Black-Scholes model. The share-based payments relate to the Bango share option program that enables all Bango employees to share in the growth in value of Bango. The increase reflects an increase in employees generally and in those receiving the benefit of the share option program. It is a vital recruitment and retention tool in an increasingly competitive employment market.

Amortization and depreciation for 2021 was \$4.09M (2020: \$3.35M) including the charges arising from the deployment of R&D projects capitalized in prior years.

Financial results and earnings per share

The total profit after tax of \$0.44M (2020: \$5.93M) includes Bango's share of net loss from the NewDeep associate of \$2.08M (2020: loss £0.68M) and R&D tax credits from Bango investment in driving forward its technology together with the release of a deferred tax liability, together \$1.92M (2020: \$0.53M). Excluding the NewDeep associate loss, the core Bango business generated a profit after tax of \$2.52M (2020: \$1.63M) for the period.

Basic earnings per share from continuing and discontinued operations was 0.58 cents (2020: 8.09 cents) whilst diluted earnings per share from continuing and discontinued operations was 0.57 cents (2020: 7.97 cents).

Considering only continuing operations the basic earnings per share was 0.58 cents (2020: 1.40 cents) and diluted earnings per share was 0.57 cents (2020: 1.37 cents).

Statement of financial position

Net assets at 31 December 2021 increased to \$36.81M (31 December 2020: \$32.92M) driven by the continued investment in intangible assets that form the core of the business and the associated R&D tax credit benefit from this. Receivables and payables both increased as a result of timing issues pushing revenues and costs towards the end of the year with receivables increasing from some large sales that were converted in the last quarter and payables reflecting the increased administration costs. A deferred tax liability of \$1.25M was also reversed in the year. The change in working capital also benefitted from good cash generation.

Cash

Cash balance, including cash equivalents and cash held in short-term investments, at 31 December 2021 increased by \$1.69M to \$9.65M (2020: \$7.96M) assisted by strong sales and proceeds of warrants and share options exercised. At the end of the year, Bango entered into

some short-term forward contracts against a proportion of incoming currency to reduce volatility from foreign exchange variations. The figure for cash represents solely Bango cash holdings and does not contain cash in transit for Bango customers. There are no bank borrowings.

Intangible assets

Intangible assets net book value of \$18.65M (2020: \$16.49M) include goodwill as well as internally developed capitalized R&D. Bango also acquired intangibles for the benefit of its Audiences business during the year which will be amortized over 5 years. Intangible asset costs relating to capitalized internal R&D increased to \$23.55M from \$18.66M in 2020, reflecting the continued drive to innovate for future growth. The net value of internally developed capitalized R&D also increased from \$8.98M to \$9.84M at the end of 2021. Internally generated R&D is amortized over 5 to 7 years, commencing upon deployment, with projects assessed in relation to their individual cash generation ability.

Liabilities

Total borrowings at 31 December 2021 were \$0.11M (2020: \$0.20M) consisting of Right of Use lease liabilities.

Going concern

The combination of growing cash, strong operating cash flow and revenue growth supports the Directors view that Bango has sufficient funds available to meet its foreseeable working capital requirements. These requirements support the planned investments to grow marketing and sales, and to develop new products.

The Directors have taken into account the wider macro-economic effects, including foreign exchange and interest rate fluctuations, and have concluded that the going concern basis remains appropriate.

Matt Garner

Chief Financial Officer

*Adjusted EBITDA is earnings before interest, tax, depreciation, amortization and share based payment charge

The Annual Report, including full accounts, is available on our website, <https://bangoinvestor.com/reports-presentations/>, and will be sent out to shareholders shortly.

Audited results for the year ended 31 December 2021

Consolidated statement of comprehensive income

	2021 \$ '000	2020 \$ '000
Continuing operations		
Revenue	20,704	15,743
Cost of sales	(1,231)	(447)
Gross profit	19,473	15,296
Administrative expenses	(18,928)	(13,715)
Adjusted EBITDA	6,178	5,989
Share based payments	(1,547)	(1,055)
Depreciation	(224)	(434)
Amortization	(3,862)	(2,919)
Operating profit	545	1,581
Interest payable	(10)	(34)
Interest income	11	-
Share of net loss of associates accounted for using the equity method	(2,081)	(677)
(Loss) / profit before taxation from continuing operations	(1,535)	870
Income tax	1,977	151
Profit from continuing operations	442	1,021
Profit from discontinued operations	-	4,909
Profit for the financial year (attributable to equity holders of the company)	442	5,930
Other comprehensive Income		
Items that may be reclassified to profit or loss		
Foreign exchange on consolidation	(214)	1,558
Foreign exchange realized on discontinued operations	-	44
Profit and total comprehensive income for the financial year	228	7,532

Earnings per share attributable to the equity holders of the parent**Basic earnings per share**

From continuing operations	0.58c	1.40c
From continuing and discontinued operations	0.58c	8.09c

Diluted earnings per share

From continuing operations	0.57c	1.37c
From continuing and discontinued operations	0.57c	7.97c

Consolidated statement of financial position as at 31 December 2021

	31 Dec 2021	31 Dec 2020	1 Jan 2020
	\$ '000	\$ '000	\$ '000
ASSETS			
Non-current assets			
Property, plant and equipment	242	155	375
Right of use assets	83	179	1,235
Intangible assets	18,645	16,490	16,188
Investments accounted for using the equity method	5,630	7,771	-
	24,600	24,595	17,798
Current assets			
Trade and other receivables	7,099	4,367	3,434
Research and development tax credits	778	-	792
Short-term investments	945	-	-
Cash and cash equivalents	8,706	7,958	3,565
	17,528	12,325	7,791
Total assets	42,128	36,920	25,589

EQUITY**Capital and reserves attributable to equity holders of the parent company**

Share capital	24,392	24,033	23,028
Share premium account	62,057	60,173	56,575
Merger reserve	2,886	2,886	2,886
Share based payment reserve	3,635	3,306	6,005
Foreign exchange reserve	2,109	2,323	721

Accumulated losses	(58,265)	(59,804)	(69,714)
Total equity	36,814	32,917	19,501
LIABILITIES			
Current liabilities			
Trade and other payables	5,209	2,552	4,538
Lease liabilities	56	100	401
	5,265	2,652	4,939
Non-current liabilities			
Lease liabilities	49	102	992
Deferred tax liability	-	1,249	157
	49	1,351	1,149
Total liabilities	5,314	4,003	6,088
Total equity and liabilities	42,128	36,920	25,589

Consolidated cash flow statement for the year ended 31 December 2021

	2021 \$ '000	2020 \$ '000
Net cash generated from operating activities	6,001	4,649
Cash flows used by investing activities		
Purchases of property, plant and equipment	(209)	(109)
Expenditure on capitalized development costs and intangible assets	(5,102)	(2,478)
Acquisition of other intangibles	(1,048)	-
Short-term investments	(945)	-
Purchase of remaining shares in Audiens	-	(1,352)
Net cash expended on disposal of subsidiary	-	(462)
Interest received	11	-
Net cash used in investing activities	(7,293)	(4,401)
Cash flows generated from financing activities		
Proceeds from issuance of ordinary shares	2,243	4,603
Interest payments	(7)	-
Interest payments on finance lease obligations	(3)	(34)
Capital repayments of finance lease obligations	(97)	(318)
Net cash generated from financing activities	2,136	4,251

Net increase in cash and cash equivalents	844	4,499
Cash and cash equivalents at beginning of year	7,958	3,565
Exchange differences on cash and cash equivalents	(96)	(106)
Cash and cash equivalents at end of year	8,706	7,958

Consolidated statement of changes in equity for the year ended 31 December 2021

	Share capital	Share premium account	Merger reserve	Share-based payment reserve	Foreign exchange reserve	Retained earnings	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at 1 January 2021	24,033	60,173	2,886	3,306	2,323	(59,804)	32,917
Share based payments	-	-	-	1,547	-	-	1,547
Transfer for exercised options	-	-	-	(1,097)	-	1,097	-
Exercise of share options and warrants	359	1,884	-	-	-	-	2,243
Transactions with owners	359	1,884	-	450	-	1,097	3,790
Profit for the year	-	-	-	-	-	442	442
Foreign exchange translation	-	-	-	(121)	121	-	-
Foreign exchange on consolidation	-	-	-	-	(335)	-	(335)
Total comprehensive income for the year	-	-	-	(121)	(214)	442	107
Balance at 31 December 2021	24,392	62,057	2,886	3,635	2,109	(58,265)	36,814
	Share capital	Share premium	Merger reserve	Share-based	Foreign exchange	Retained earnings	Total

	account		payment reserve		reserve		
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at 1 January 2020	23,028	56,575	2,886	6,005	721	(69,714)	19,501
Share based payments	-	-	-	1,055	-	-	1,055
Transfer for exercised options	-	-	-	(3,980)	-	3,980	-
Issue of new shares	874	3,094	-	-	-	-	3,968
Exercise of share options	131	504	-	-	-	-	635
Transactions with owners	1,005	3,598	-	(2,925)	-	3,980	5,658
Profit for the year	-	-	-	-	-	5,930	5,930
Foreign exchange realized on discontinued operations	-	-	-	-	44	-	44
Foreign exchange translation	-	-	-	226	(226)	-	-
Foreign exchange on consolidation	-	-	-	-	1,784	-	1,784
Total comprehensive income for the year	-	-	-	226	1,602	5,930	7,758
Balance at 31 December 2020	24,033	60,173	2,886	3,306	2,323	(59,804)	32,917

1 General information

In accordance with Section 435 of the Companies Act 2006, the Group confirms that the financial information for the years ended 31 December 2021 and 2020 are derived from the Group's audited financial statements and that these are not statutory accounts and, as such, do not contain all information required to be disclosed in the financial statements prepared in accordance with UK-adopted International Accounting Standards. The statutory accounts for the year ended 31 December 2020 have been delivered to the Registrar of Companies. The statutory accounts for the year ended 31 December 2021 have been audited and approved but have not yet been filed.

The financial statements for the year ended 31 December 2021 (including the comparatives for the year ended 31 December 2020) were approved by the Board of Directors on 7 March 2022. The Group's audited financial statements for the year ended 31 December 2021 received an unqualified audit opinion and the auditor's report contained no statement under section 498(2) or 498(3) of the Companies Act 2006.

2 Basis of preparation

The Group financial statements, which consolidate those of Bango PLC and all of its subsidiaries, have been prepared under the historical cost convention and under the basis of going concern.

Bango has prepared its Report and accounts for the year ended 31 December 2021, in accordance with UK-adopted International Accounting Standards ("IFRS"). The principal accounting policies adopted are consistent with those disclosed in the financial statements for the year ended 31 December 2020.

The Group's presentation currency has changed in the year from Pound Sterling ('Sterling') to US Dollars ('USD'), this is on the basis that an increasing proportion of the Group global customer transactions are in US Dollars or USD linked currencies. We consider that this change will give investors and other key stakeholders a clearer understanding of Bango PLC's performance over time. Following this change in accounting policy the impact was applied retrospectively and thus the comparatives in the consolidated financial statements were restated in US Dollars, as required by IAS 8.

3 Revenue

(a) Revenue analysis

Revenue by product:

	2021	2020
	\$ '000	\$ '000
Payments - transactional & data monetization	15,684	12,056
Payments non-transactional (licensing of software, platform & technology), and integration	5,020	3,687
	20,704	15,743

Most income is currently recognized at a point in time rather than over time.

(b) Geographical analysis

Bango's revenue from external customers is divided into the following geographical areas.

	2021	2020
	\$ '000	\$ '000
United Kingdom (country of domicile)	948	1,137
EU	2,213	479
USA and Canada	4,428	2,720
Rest of the World	13,115	11,407
	20,704	15,743

All turnover is spread over many territories, of which \$6.7M comes from two partners in the Rest of the World and \$2.6M comes from a partner in USA and Canada. (2020: \$1.8M from the partner in the USA and Canada, \$6.9M from two partners in the Rest of the World).

4 Earnings per share

(a) Basic

Basic earnings per share are calculated by dividing the profit attributable to equity holders of Bango PLC by the weighted average number of ordinary shares in issue during the year.

Basic earnings per share

	2021	2020
	\$ '000	\$ '000
Profit attributable to equity holders of Bango PLC:		
From continuing operations	442	1,021
From discontinued operations	-	4,909
Profit attributable to equity holders of Bango PLC	442	5,930
Weighted average number of ordinary shares in issue	75,640,815	73,347,201
From continuing operations	0.58c	1.40c
From discontinued operations	-	6.69c
Basic earnings per share attributable to equity holders from continuing and discontinued operations	0.58c	8.09c

Basic adjusted earnings per share

Adjusted earnings per share is a key financial information which discloses the financial performance of the core business for which the directors have direct control. Adjusted basic earnings per share is determined as the profit attributable to equity holders of Bango PLC excluding the Bango share of the net loss of associate for the period and discontinued operations divided by the weighted average number of ordinary shares in issue during the year.

	2021 \$ '000	2020 \$ '000
Profit attributable to equity holders of Bango PLC:		
From continuing operations	442	1,021
Share of net loss of associates accounted for using the equity method	2,081	677
Profit attributable to equity holders of Bango PLC	2,523	1,698
Weighted average number of ordinary shares in issue	75,640,815	73,347,201
Basic earnings per share attributable to equity holders from continuing operations	3.34c	2.32c

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary share options.

Diluted earnings per share

	2021 \$ '000	2020 \$ '000
Profit attributable to equity holders of Bango PLC	442	5,930
Weighted average number of ordinary shares in issue	75,640,815	73,347,201
Options	1,579,100	1,036,358
Weighted average number of ordinary shares in issue (including options)	77,219,915	74,383,559
From continuing operations	0.57c	1.37c
From discontinued operations	-	6.60c
Diluted earnings per share attributable to equity holders from continuing and discontinued operations	0.57c	7.97c

Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential ordinary share options.

Diluted adjusted earnings per share

Adjusted basic earnings per share is determined as the profit attributable to equity holders of Bango PLC excluding the Bango share of the net loss of associate for the period divided by the weighted average number of ordinary shares in issue during the year.

	2021 \$ '000	2020 \$ '000
Profit attributable to equity holders of Bango PLC	2,523	1,698
Weighted average number of ordinary shares in issue	75,640,815	73,347,201

Options	1,579,100	1,036,358
Weighted average number of ordinary shares in issue (including options)	77,219,915	74,383,559
Diluted earnings per share attributable to equity holders from continuing operations	3.27c	2.28c

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

FR BKOBDBKBKNK